

EXHIBIT "C"

Page 44 of 121

I. Access to Signaling and Signaling Databases

- I.1** BellSouth will offer to SMNI use of its SS7 signaling network and signaling databases on an unbundled basis at the rates included in Attachment C-5 hereto. Signaling functionality will be available with both A-link and B-link connectivity.
- I.2** BellSouth agrees to input NXX assigned to SMNI into the Local Exchange Routing Guide (LERG).
- I.3** BellSouth will enter SMNI line information into its Line Information Database (LIDB) pursuant to the terms and conditions contained in Attachment C-6 hereto, incorporated herein by this reference. Entry of line information into LIDB will enable SMNI's end users to participate or not participate in alternate billing arrangements such as collect or third number billed calls.
- I.4** BellSouth will provide SMNI with access to LIDB for call and card validation purposes pursuant to the rates, terms and conditions contained in Attachment C-7 hereto.
- I.5** If SMNI utilizes BellSouth's 800 database for query purposes only applicable BellSouth tariffed rates will apply.

XII. TELEPHONE NUMBER PORTABILITY ARRANGEMENTS

- A.** The Parties agree to provide interim Service Provider Number Portability (SPNP) on a reciprocal basis between their networks to enable their end user customers to utilize telephone numbers associated with an Exchange Service provided by one Party, in conjunction with an Exchange Service provided by the other Party, upon the coordinated or simultaneous termination of the first Exchange Service and activation of the second Exchange Service. The Parties shall provide reciprocal SPNP immediately upon execution of this Agreement via remote call forwarding (RCF) or Direct Inward Dialing (DID). SPNP shall operate as follows:
 - A.1** An end user customer of Party A elects to become an end user customer of Party B. The end user customer elects to utilize the original telephone number(s) corresponding to the Exchange Service(s) it previously received from Party A, in conjunction with the Exchange Service(s) it will now receive from Party B. Upon receipt of a service order assigning the number

EXHIBIT "C"

Page 45 of 121

to Party B, Party A will implement an arrangement whereby all calls to the original telephone number(s) will be forwarded to a new telephone number(s) designated by Party B within the same access where the original NXX code is used. Party A will route the forwarded traffic to Party B over the appropriate trunk groups, as if the call had originated on Party A's network.

- A.2 Party B will become the customer of record for the original Party A telephone numbers subject to the SPNP arrangements. Party A will provide Party B a single consolidated master billing statement for all collect, calling card, and third-number billed calls associated with those numbers, with subaccount detail by retained number. Such billing statement shall be delivered via either electronic data transfer, daily magnetic tape, or monthly magnetic tape (for which option there shall be no charge). Party A shall provide to Party B the EMR detail records associated with the calls on the master billing statement.
- A.3 Party A will cancel line-based calling cards and will, as directed by Party B, update its Line Information Database (LIDB) listings for retained numbers, subject to RCF, and restrict or cancel calling cards associated with those forwarded numbers, as directed by Party B, subject to execution of an LIDB storage agreement in substantially the form attached hereto.
- A.4 Within two (2) business days of receiving notification from the end user customer, Party B shall notify Party A of the customer's termination of service with Party B, and shall further notify Party A as to that customer's instructions regarding its telephone number(s). Party A will reinstate service to that customer, cancel the SPNP arrangements for that customer's telephone number(s), or redirect the SPNP arrangement pursuant to the customer's instructions at that time.

EXHIBIT "C"

Page 46 of 121

- B. SPNP-RCF is a telecommunications service whereby a call dialed to an SPNP-RCF equipped telephone number, is automatically forwarded to an assigned seven or ten digit telephone number within the local calling area as defined in Section A3 of the BellSouth General Subscriber Service Tariff. The forwarded-to number is specified by SMNI or BellSouth, as appropriate. Where technologically feasible, the forwarding party will provide identification of the originating telephone number, via SS7 signaling, to the receiving party. Neither party guarantees, however, identification of the originating telephone number to the SPNP-RCF end user. SPNP-RCF provides a single call path for the forwarding of no more than one simultaneous call to the receiving party's specified forwarded-to number. Additional call paths for the forwarding of multiple simultaneous calls are available on a per path basis and are in addition to the rate for SPNP-RCF service.
- C. The Parties shall provide RCF arrangements to each other at identical monthly rates. Recurring charges shall not exceed the actual cost of providing the service. There shall be no non-recurring charges. Until otherwise verified by reliable cost studies, actual cost for recurring charges are as follows:
1. Residential Services - \$1.15 per line, including 6 call paths;
 2. Business Service - \$2.25 per line, including 10 call paths; and
 3. Each additional path - \$0.50.

EXHIBIT "C"

Page 47 of 121

- D. SPNP-DID service provides trunk side access to end office switches for direct inward dialing to the other Party's premises equipment from the telecommunication network to lines associated with the other Party's switching equipment and must be provided on all trunks in a group arranged for inward service. A SPNP-DID trunk termination, provided with SS7 signaling only, applies for each trunk voice grade equivalent. In addition, direct facilities are required from the end office where a ported number resides to the end office serving the ported end user customer. Transport mileage will be calculated as the airline distance between the end office where the number is ported and the POI using the V&H coordinate method. SPNP-DID must be established with a minimum configuration of two channels and one unassigned telephone number per switch, per arrangement for control purposes. Transport facilities arranged for SPNP-DID may not be mixed with any other type of trunk group, with no outgoing calls placed over said facilities. SPNP-DID will be provided only where such facilities are available and where the switching equipment of the ordering party is properly equipped. Where SPNP-DID service required from more than one wire center or from separate trunk groups within the same wire center, such service provided from each wire center or each trunk group within the same wire center shall be considered a separate service. Only custom-dialed sent paid calls will be completed to the first number of a SPNP-DID number group, however, there are no restrictions on calls completed to other numbers of a SPNP-DID number group.
- E. The Parties hereby agree to negotiate in good faith to establish the recurring and non-recurring charges, if any, for SPNP through DID. For this purpose, BellSouth shall provide SMNI with its relevant cost studies, subject to applicable non-disclosure obligations. In the event that the Parties are unable to agree upon the applicable charges, the issue shall be resolved in accordance with the process set forth in Article XXV. In the interim period, the rates contained in Attachment E hereto will apply.
- F. Each Party is responsible for obtaining authorization from the end user for the handling of the disconnection of the end user's service, the provision of new local service and the provision of SPNP services. Each Party is responsible for coordinating the provision of service with the other to assure that its switch is capable of accepting SPNP ported traffic. Each Party is responsible for providing equipment and facilities that are compatible with the other's service parameters, interfaces, equipment and facilities and is required to provide sufficient terminating facilities and services at the terminating end of an SPNP call to adequately handle all traffic to that location and is solely responsible to ensure that its facilities, equipment and services do not interfere with or impair any facility, equipment, or service of the other Party or any of its end users.

EXHIBIT "C"

Page 48 of 121

- G. Each Party is responsible for providing an appropriate intercept announcement service for any telephone numbers subscribed to SPNP services for which it is not presently providing local exchange service or terminating to an end user. Where either Party chooses to disconnect or terminate any SPNP service, that Party is responsible for designating the preferred standard type of announcement to be provided.
- H. Each Party will be the other's Party's single point of contact for all repair calls on behalf of each Party's end user. Each Party reserves the right to contact the other Party's customers, if deemed necessary, for maintenance purposes.
- I. The Parties will migrate from RCF or DID to Permanent Number Portability (PNP) as soon as practically possible, without interruption of service (to the degree possible) to their respective customers.
- J. Under either an SPNP or PNP arrangement, SMNI and BellSouth will implement a process to coordinate Telephone Numbers Portability (TNP) cut-overs with Unbundled loop conversions (as described in Section IV of this Agreement).
- K. The quality of service of calls to ported numbers should be identical to the quality of service of the calls to non-ported numbers.
- L. If the Federal Communications Commission issues regulations pursuant to 47 U.S.C. § 251 to require number portability different than that provided pursuant to this subsection, the Parties agree to fully comply with those requirements.

EXHIBIT "C"

Page 49 of 121

XIII. DISCONNECTION OF CUSTOMERS

- A. BellSouth shall accept any requests from SMNI to disconnect the service of an existing BellSouth end user, except for BellSouth public and semipublic telephone service which service is subject to effective contracts with location providers. BellSouth will not require end user confirmation prior to disconnecting the end user's service. BellSouth will accept a request directly from an end user for conversion of the end user's service from SMNI to BellSouth or will accept a request from another CLEC for conversion of the SPNP service associated with an end user's service charge from SMNI to the CLEC. BellSouth will notify SMNI that such a request has been processed. This Article shall be subject to Section 258(a) and (b) of the Telecommunications Act which prohibits illegal changes of carrier selections and assesses liability for such changes, and any change of service verification procedures which may be promulgated by the FCC. SMNI and BellSouth shall each execute a blanket letter of authorization for each state substantially in the form attached as Attachment F hereto with respect to customer disconnections. The Parties shall each be entitled to adopt their own internal processes for verification of customer authorization of disconnection of service; provided, however, that such processes shall comply with applicable state and federal law and until superseded shall be deemed adequate for purposes of this Agreement if such processes comply with FCC guidelines applicable to Presubscribed Interexchange Carriers (PIC) changes.
- B. If either Party determines that an unauthorized change in local service provider has occurred, such Party shall reestablish service with the appropriate local service provider as requested by the end user and will assess the other Party an Unauthorized Change Charge of \$19.41 per line. The appropriate nonrecurring charges to reestablish the customer's service with the appropriate local service provider will also be assessed to the other Party because of the unauthorized change. These charges shall be adjusted if such Party provides satisfactory proof of authorization.
- C. If BellSouth accepts an order placed by itself or another CLEC (or local reseller) to disconnect the SPNP to an SMNI end user, BellSouth shall notify SMNI of the change within three (3) days thereof.

XIV. RESALE OF BELL SOUTH LOCAL EXCHANGE SERVICES

BellSouth hereby agrees that SMNI may at any time during the term of this Agreement elect to resell BellSouth's local exchange services under the terms and conditions of any local services resale agreement reached between BellSouth and any other

EXHIBIT "C"

Page 50 of 121

telecommunications carrier. SMNI may select any such resale agreement at any time prior to the expiration of this Agreement.

XV. RESPONSIBILITIES OF THE PARTIES

- A. BellSouth and SMNI agree to treat each other fairly, non-discriminatorily, and equally for all items included in this Agreement or related to the support of items included in this Agreement.
- B. SMNI and BellSouth will work cooperatively to minimize fraud associated with third-number billed calls, calling card calls, or any other services related to this Agreement. The Parties fraud minimization procedures are to be cost effective and implemented so as not to unduly burden or harm one Party as compared to the other.
- C. SMNI and BellSouth agree to promptly exchange all necessary records for the proper billing of all traffic.
- D. SMNI and BellSouth will review engineering requirements on a quarterly basis and establish forecasts for trunk utilization, POI trunks, MPB arrangements, E-911, EISCC facility requirements, quantities of DNCF, loops and other services provided under this Agreement. New trunk groups will be implemented as dictated by engineering requirements for both BellSouth and SMNI. BellSouth and SMNI are required to provide each other the proper call information (e.g., originated call party number and destination call party number) to enable each company to bill in complete and timely manner.
- E. The Parties will cooperate by exchanging technical information in order to identify and explore potential solutions to enable SMNI to establish unique rate centers, or to assign a single NXX code across multiple rate centers.
- F. SMNI and BellSouth will work jointly and cooperatively in developing and implementing common manual and/or electronic interfaces (including, for example, data elements, data format, and data transmission) from which to place service orders and trouble reports involving the provision of loops, DNCF, directory assistance, directory listings, E-911, and other services included in this Agreement. To the extent reasonable, SMNI and BellSouth will utilize the standards established by industry fora, such as OBF.
- G. BellSouth will support SMNI requests related to central office (NXX) code administration and assignments in an effective and timely manner. SMNI and

EXHIBIT "C"

Page 51 of 121

BellSouth will comply with code administration requirements as prescribed by the FCC, the state commissions, and accepted industry guidelines.

- H. There will be no re-arrangement, reconfiguration, disconnect, or other non-recurring fees associated with the initial reconfiguration of each carrier's traffic exchange arrangements upon execution of this agreement.
- I. BellSouth shall not impose a cross-connect fee on SMNI where SMNI accesses 911 or E-911, reciprocal traffic exchange trunks, and network platform services, through a collocation arrangement at the BellSouth Wire Center.
- J. Notwithstanding any other provision of this Agreement, it is mutually understood and agreed that both Parties hereto reserve the right to establish each of the following, consistent with generally accepted industry standards.
 - 1. Rate centers (location and area within)
 - 2. Points of interchange (including meet points)
 - 3. Switching entity designation and supporting data (including inbound route choice)
 - a. end office
 - b. homing/homed to tandem
 - 4. Association of routing point(s) with end offices, POIs, etc.
 - 5. Published rate center and locality designations.

XVI. NETWORK DESIGN AND MANAGEMENT

- A. The Parties agree to work cooperatively to install and maintain reliable interconnected telecommunications networks, including but not limited to, maintenance contact numbers and escalation procedures. BellSouth agrees to provide public notice of changes in the information necessary for the transmission and routing of services using its local exchange facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks.
- B. The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria.

EXHIBIT "C"

Page 52 of 121

- C. The Parties will work cooperatively to apply sound network management principles by invoking appropriate network management controls to alleviate or prevent network congestion.
- D. For network expansion, the Parties agree to review engineering requirements on a quarterly basis and establish forecasts for trunk utilization. New trunk groups will be added as reasonably warranted.
- E. SMNI and BellSouth will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government) to achieve desired reliability. In addition, SMNI and BellSouth will cooperatively plan and implement coordinated repair procedures to ensure customer trouble reports are resolved in a timely and appropriate manner.

XVII. TERM

- A. The term of this Agreement shall be two years, beginning January 1, 1997. The Parties agree that this Agreement shall be a interim Agreement until such time that Sprint Communications Company L.P. and BellSouth reach an Interconnection Agreement. The Parties further agree that with sixty (60) days prior notice from either party, this Agreement may be terminated. All rates within this Agreement shall be effective as of January 1, 1997.
- B. The Parties agree that by no later than January 1, 1998, they shall commence negotiations with regard to the terms, conditions and prices of local interconnection to be effective beginning January 1, 1999.
- C. If, within 90 days of commencing the negotiation referred to in Section XVII.1 above, the Parties are unable to satisfactorily negotiate new local interconnection terms, conditions and prices, either Party may petition the state commission to establish appropriate local interconnection arrangements pursuant to 47 U.S.C. 252. The Parties agree that, in such event, they shall encourage the Commission to issue its order regarding the appropriate local interconnection arrangements no later than July 1, 1998. The Parties further agree that in the event the Commission does not issue its order prior to July 1, 1998 or if the Parties continue beyond September 1, 1998 to negotiate the local interconnection arrangements without Commission intervention, the terms, conditions and prices ultimately ordered by the Commission, or negotiated by the Parties, will be effective retroactive to January 1, 1999. Until the revised

EXHIBIT "C"

Page 53 of 121

local interconnection arrangements become effective, the Parties shall continue to exchange traffic pursuant to the terms and conditions of this Agreement.

- D. The Parties agree that (1) if the FCC or a state commission or other state or local body having jurisdiction over the subject matter of this Agreement finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations promulgated, or (2) if the FCC or a state commission preempts the effect of this Agreement, then in the event of the occurrence of (1) or (2), which occurrence is final and no longer subject to administrative or judicial review, the Parties shall immediately commence good faith negotiations to conform this Agreement with any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or state commission's action giving rise to such negotiations. The Parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date.
- E. In the event that BellSouth provides interconnection and/or temporary number portability arrangements via tariff or has or enters into an interconnection and/or temporary number portability agreement with another entity, BellSouth will permit SMNI an opportunity to inspect such tariff or agreement and, upon SMNI's request, BellSouth will immediately offer SMNI an agreement on the same material terms with effect from the date BellSouth first made such tariff effective or entered into such arrangement and for the remainder of the term of this Agreement. The other items covered by this Agreement and not covered by such tariff or agreement shall remain unaffected and as to such items this Agreement shall remain in effect.
- F. In the event that BellSouth is required by an FCC or a state commission decision or order to provide any one or more terms of interconnection or other matters covered by this Agreement that individually differ from any one or more corresponding terms of this Agreement, SMNI may elect to amend this Agreement to reflect all of such differing terms (but not less than all) contained in such decision or order, with effect from the date SMNI makes such election. The other items covered by this Agreement and not covered by such decision or order shall remain unaffected and as to such items this Agreement shall remain in effect.

EXHIBIT "C"

Page 54 of 121

XVIII. IMPLEMENTATION OF AGREEMENT

The Parties agree that within 30 days of the execution of this Agreement they will adopt a schedule for the implementation of this Agreement. The schedule shall state with specificity, ordering, testing, and full operational time frames. The implementation shall be attached to this Agreement as an addendum and specifically incorporated herein by this reference. All rates within this Agreement will become effective upon execution of the Agreement.

XIX. UNIVERSAL SERVICE

The Parties acknowledge that BellSouth will guarantee the provision of universal service as the carrier-of-last-resort throughout its territory in Florida until January 1, 1998 without contribution from SMNI.

XX. FORCE MAJEURE

Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement including, without limitation: fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation, strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event the Party affected shall, upon giving prompt notice to the other Party, be excused from such performance on a day-today basis to the extent of such interference (and the other Party shall likewise be excused from performance of its obligations on a day-for-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause of nonperformance and both Parties shall proceed to perform with dispatch once the causes are removed or cease.

XXI. LIABILITY AND INDEMNIFICATION

A. Liability Cap.

1. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by SMNI, any SMNI customer or by any other person

EXHIBIT "C"

Page 55 of 121

or entity, for damages associated with any of the services provided by BellSouth pursuant to or in connection with this Agreement, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article, BellSouth's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by SMNI, any SMNI customer or any other person or entity resulting from the gross negligence or willful misconduct of BellSouth and claims for damages by SMNI resulting from the failure of BellSouth to honor in one or more material respects any one or more of the material provisions of this Agreement shall not be subject to such limitation of liability.

2. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by BellSouth, any BellSouth customer or by any other person or entity, for damages associated with any of the services provided by SMNI pursuant to or in connection with this Agreement, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article, SMNI's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by BellSouth, any BellSouth customer or any other person or entity resulting from the gross negligence or willful misconduct of SMNI and claims for damages by BellSouth resulting from the failure of SMNI to honor in one or more material respects any one or more of the material provisions of this Agreement shall not be subject to such limitation of liability.
- B. Neither Party shall be liable for any act or omission of any other telecommunications company to the extent such other telecommunications company provides a portion of a service.
- C. Neither Party shall be liable for damages to the other Party's terminal location, POI or the other Party's customers' premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, except to the extent the damage is caused by such Party's gross negligence or willful misconduct.
- D. Notwithstanding subsection A, the Party providing services under this Agreement, its affiliates and its parent company shall be indemnified, defended and held harmless by the Party receiving such services against any claim, loss or damage arising from the receiving Party's use of the services provided under this

EXHIBIT "C"

Page 56 of 121

Agreement, involving: (1) claims for libel, slander, invasion of privacy or copyright infringement arising from the content of the receiving Party's own communications; (2) any claim, loss or damage claimed by the receiving Party's customer(s) arising from such customer's use of any service, including 911/E-911, that the customer has obtained from the receiving Party and that the receiving Party has obtained from the supplying Party under this Agreement; or (3) all other claims arising out of an act or omission of the receiving Party in the course of using services provided pursuant to this Agreement. Notwithstanding the foregoing, to the extent that a claim, loss or damage is caused by the gross negligence or willful misconduct of a supplying Party, the receiving Party shall have no obligation to indemnify, defend and hold harmless the supplying Party hereunder.

- E. Neither Party guarantees or makes any warranty with respect to its services when used in an explosive atmosphere. Notwithstanding subsection A, each Party shall be indemnified, defended and held harmless by the other Party or the other Party's customer from any and all claims by any person relating to the other Party or the other Party's customer's use of services so provided.
- F. No license under patents (other than the limited license to use in the course of using a service provided pursuant to this Agreement) is granted by one Party to the other or shall be implied or arise by estoppel, with respect to any service offered pursuant to this Agreement. Notwithstanding subsection A, the Party providing a service pursuant to this Agreement will defend the Party receiving such service against claims of patent infringement arising solely from the use by the receiving Party of such service and will indemnify the receiving Party for any damages awarded based solely on such claims. Such indemnification shall not, however, extend to claims for patent infringement to the extent the alleged infringement results from:
 - 1. Modification of the service by someone other than the providing Party and/or its subcontractors, where there would be no such infringement or violation in the absence of such modification; or
 - 2. The combination, operation or use of the service with any product, data or apparatus not provided by the providing Party and/or its subcontractors, where there would be no such infringement or violation in the absence of such combination, operation or use.
- G. Promptly after receipt of notice of any claim or the commencement of any action for which a Party may seek indemnification pursuant to this Article XXI, such Party (the "Indemnified Party") shall promptly give written notice to the other Party (the "Indemnifying Party") of such claim or action, but the failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability it may

EXHIBIT "C"

Page 57 of 121

have to the Indemnified Party except to the extent the Indemnifying Party has actually been prejudiced thereby. The Indemnifying Party shall be obligated to assume the defense of such claim, at its own expense. The Indemnified Party shall cooperate with the Indemnifying Party's reasonable requests for assistance or information relating to such claim, at the Indemnifying Party's expense. The Indemnified Party shall have the right to participate in the investigation and defense of such claim or action, with separate counsel chosen and paid for by the Indemnified Party.

XXII. MOST FAVORABLE PROVISIONS

- A. If as a result of any proceeding before any Court, Commission, or the FCC, any voluntary agreement or arbitration proceeding pursuant to the Act or pursuant to any applicable state law, BellSouth becomes obligated to provide interconnection, number portability, unbundled access to network elements or any other services related to interconnection, whether or not presently covered by this Agreement, to another telecommunications carrier operating within a state within the BellSouth territory at rates or on terms and conditions more favorable to the carrier than the applicable provisions of this Agreement, then SMNI shall be entitled to add such network elements and services, or substitute such more favorable rates, terms or conditions for the relevant provisions of this Agreement, which shall apply to the same States as such other carrier and such substituted rates, terms or conditions shall be deemed to have been effective under this Agreement as of the effective date thereof to such other carrier.
- B. If the more favorable provision is a result of the action of an appropriate regulatory agency or judicial body whether commenced before or after the effective date of this Agreement, the Parties agree to incorporate such order in this Agreement as of its effective date. In the event BellSouth files and receives approval for a tariff offering to provide any substantive service of this Agreement in a way different than that provided for herein, the Parties agree that the Companies shall be eligible for subscription to said service at the rates, terms and conditions contained in tariffs as of the effective date of the tariff.

EXHIBIT "C"

Page 58 of 121

XXIII. DEFAULT

If either Party defaults in the payment of any amount due hereunder, or if either Party violates any other provision of this Agreement, and such default or violation shall continue for thirty (30) days after written notice thereof, the other Party may terminate this Agreement forthwith by written instrument. The failure of either Party to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment of its part of any such provision, but the same shall, nevertheless, be and remain in full force and effect.

XXIV. NONDISCLOSURE

- A. All information, including but not limited to specifications, microfilm, photocopies, magnetic disks, magnetic tapes, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data, (i) furnished by one Party to the other Party dealing with customer specific, facility specific, or usage specific information, other than customer information communicated for the purpose of publication or directory database inclusion, or (ii) in written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary," or (iii) communicated orally and declared to the receiving Party at the time of delivery, or by written notice given to the receiving Party within ten (10) days after delivery, to be "Confidential" or "Proprietary" (collectively referred to as "Proprietary Information"), shall remain the property of the disclosing Party.
- B. Upon request by the disclosing Party, the receiving Party shall return all tangible copies of Proprietary Information, whether written, graphic or otherwise, except that the receiving Party may retain one copy for archival purposes.
- C. Each Party shall keep all of the other Party's Proprietary Information confidential and shall use the other Party's Proprietary Information only for performing the covenants contained in the Agreement. Neither Party shall use the other Party's Proprietary Information for any other purpose except upon such terms and conditions as may be agreed upon between the Parties in writing.
- D. Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information as:

EXHIBIT "C"

Page 59 of 121

1. was at the time of receipt already known to the receiving Party free of any obligation to keep it confidential evidenced by written records prepared prior to delivery by the disclosing Party; or
 2. is or becomes publicly known through no wrongful act of the receiving Party; or
 3. is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to the disclosing Party with respect to such information; or
 4. is independently developed by an employee, agent, or contractor of the receiving Party which individual is not involved in any manner with the provision of services pursuant to the Agreement and does not have any direct or indirect access to the Proprietary Information; or
 5. is disclosed to a third person by the disclosing Party without similar restrictions on such third person's rights; or
 6. is approved for release by written authorization of the disclosing Party; or
 7. is required to be made public by the receiving Party pursuant to applicable law or regulation provided that the receiving Party shall give sufficient notice of the requirement to the disclosing Party to enable the disclosing Party to seek protective orders.
- E. **Effective Date.** Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement. The obligation to that information as confidential shall survive the termination of this Agreement.

XXV. ARBITRATION

- A. Any controversy or claim arising out of, or relating to, this Contract or the breach thereof shall be settled by arbitration, in accordance with the rules then obtaining, of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction of the controversy or claim. As an express condition precedent to any legal or equitable action or proceeding in the event of disputes or controversies as to the amount of loss or damage arising out of this Contract, such disputes or controversies shall first be submitted to the

EXHIBIT "C"

Page 60 of 121

arbitration of two persons, one chosen by each Party, who shall jointly select a third person. Provided, however, that nothing contained herein shall preclude either Party from filing any complaint or other request for action or relief with the FCC or the appropriate state commission, including any appeals thereof. The Party which does not prevail shall pay all reasonable costs of the arbitration or other formal complaint proceeding, including reasonable attorney's fees and other legal expenses of the prevailing Party.

- B. Nothing herein shall preclude SMNI from seeking state commission arbitration, pursuant to sections 251-53 of the Telecommunications Act, of issues upon which the Parties hereto were unable to reach agreement during the negotiations hereof. The Parties acknowledge, for example, that they were unable to reach agreement on the availability, rates and terms of local sub-loop unbundling, local loop multiplexing, switch port charges, access to databases, *etc.*, and that such issues will be submitted for resolution by the state commissions through arbitration. BellSouth hereby waives any right to contest SMNI's ability to seek state commission and/or FCC review of such unresolved issues.

XXVI. WAIVERS

Any failure by either Party to insist upon the strict performance by the other Party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

XXVII. GOVERNING LAW

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

XXVIII. ARM'S LENGTH NEGOTIATIONS

This Agreement was executed after arm's length negotiations between the undersigned Parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all Parties.

EXHIBIT "C"

Page 61 of 121

XXIX. NOTICES

Any notices required by or concerning this Agreement shall be sent to the Parties at the addresses shown below:

Richard A. Warner
Operations Manager
Sprint Metropolitan Networks, Inc.
Box 162922
Altamonte Springs, Florida 32716-2922

Carol Jarman
BellSouth Telecommunications, Inc.
Suite 440
2 Chase Corporate Drive
Birmingham, Alabama 35244

Each Party shall inform the other of any changes in the above addresses.

XXX. ENTIRE AGREEMENT

This Agreement and its Attachments, incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.



SPRINT METROPOLITAN
NETWORKS, INC.

By: *Richard A. Warner*
Title: *Operations Manager*
Date: *March 13, 1997*
Address: *Box 162922*
Sprint Metropolitan Networks, Inc.
Altamonte Springs, Florida 32716-2922



BELL SOUTH
TELECOMMUNICATIONS, INC.

By: *Jerry Hendrix*
Title: *Director*
Date:
Address: *675 W. Peachtree Street, N.E.*
Atlanta, Georgia 30375

EXHIBIT "C"

Page 62 of 121

ATTACHMENT A

**OPERATING SUBSIDIARIES OF
SPRINT METROPOLITAN NETWORKS, INC.**

EXHIBIT "C"

Page 63 of 121

ATTACHMENT B

DEFINITIONS

1. **"Access Service Request" or "ASR"** means an industry standard form used by the Parties to add, establish, change or disconnect trunks for the purposes of interconnection.

2. **"Advanced Intelligent Network" or "AIN"** means a network switching and architecture concept that centralizes intelligence in databases and application processors internal to the network rather than in central office switching systems. AIN enables the network to complete interactions (or actions) regarding routing, signaling and information quickly and accurately. The AIN concept permits intelligent database systems and application processors to be either centralized or distributed throughout one network.

3. **"Advanced Intelligent Network Features" or "AIN/IN Features"** refers to the replacement or enhancement of electronic switching and electronic network hardware and software functions via the use of distributed network based processors and Common Channel Interoffice Signaling (CCIS/SS7). For example, SCPs and STCs are part of the advanced intelligent network. AIN also features a "service creation environment" which permits the end user or reseller to create, and modify, in near real time, their own network routing instructions for calls to their facilities, creating, in effect a user customizable virtual network.

4. **"Affiliate"** means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or equivalent thereof) or more than 10 percent.

5. **"American National Standards Institute" or "ANSI"** is a private, non-profit organization representing more than 1,300 corporations, 30 government agencies, 20 institutions and 250 trade, labor, consumer, technical and professional organizations which sets voluntary standards for the United States (U.S.). ANSI has established an Information Infrastructure Standards Panel. ANSI is appointed by the U.S. State Department as a representative of the U.S. to the ITU's International Standards Organization.

6. **"Automated Report Management Information System" or "ARMIS"** means the most current ARMIS 4308 report issued by the FCC.

7. **"Automatic Number Identification" or "ANI"** is a telecommunications carrier signaling parameter that identifies, through industry standard network interfaces and formats (either SS7/CCIS (preferred), or in band signalling (predecessor technology), the billing number of the

EXHIBIT "C"

Page 64 of 121

calling party. This functionality is also known and referred to as "Calling Party Number" or "CPN." This term is not to be limited by "Called Party Identification" service, another product that is frequently required by call centers.

8. **"Bell Communications Research" or "BellCore"** means an organization owned jointly by the RBOC that conducts research and development projects for them.

9. **"Busy Line Verification/BLVI Traffic" or "BLV/BLVI Call"** refers to an operator call in which the end user inquires as to the busy status of, or requests an interruption of, a call on an Exchange Service.

10. **"Calling Party Number" or "CPN"** means a common channel signalling parameter which refers to the number transmitted through the network identifying the calling party.

11. **"Carrier Identification Code" or "CIC"** means a three or four digit number assigned to an IXC that identifies that carrier's traffic.

12. **"Central Office Switch," "Central Office" or "CO"** refers to either a means a Switching entity or the physical location (site) which houses a traditional central office switch and its peripherals within the public switched telecommunications network, including but not limited to:

a. **"End Office Switches"** which are Class 5 switches from which End User Telecommunications Services are directly connected and offered.

b. **"Tandem Office Switches"** which are Class 4 switches which are used to connect and switch trunk circuits between and among Central Office Switches.

c. **"Remote Switching Module" or "RSM"** refers to a Central Office architecture element that permits the Central Office switch the ability to extend either line or trunk side interfaces, with all typical service features and functions to a cabinet which is physically remote from the home CO site, and where stand alone capability may or may not be implemented. RSMs are sometimes also referred to as "switches" in the BellSouth infrastructure inventory discussions and to that extent may be used as interchangeable terms.

d. **"Central Office Switches"** may be employed as combination End Office and Tandem Office Switches (combination Class 5/Class 4).

13. **"Central Office Equipment"** refers to the traditional Central Office Switch itself and all of the peripheral electronics (network elements) that supply network-based processing functions other than "transport." Network elements which provide "Transport" are generally referred to as "Outside Plant" equipment or electronics.

EXHIBIT "C"

Page 65 of 121

14. "Centralized Message Distribution System" or "CMDS" means the billing record and clearing house transport systems that incumbent LECs use to exchange out-collects, in-collects and Carrier Access Billing System ("CABS") records.

15. "CLASS Features" refers to features and functions (products) which become available on the "line side" of the Central Office through the use of common channel signalling system seven (CCIS/SS7.) CLASS features include, but are not necessarily limited to: Automatic Call Back, Call Trace, Caller ID and Related Blocking Features, Distinctive Ringing/Call Waiting, Selective Call Forward, and Selective Call Rejection. See also: "Software-based network elements and services."

16. "Commission" means the appropriate regulatory agency in each of BellSouth's nine state regions, Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.

17. "Common Channel (Interoffice) Signaling" or "CCIS" means a method of digitally transmitting call set-up and network control data over separate physical or virtual connections from those which normally carry the actual call user connections. This technology supersedes "in-band signalling. The current industry standard for common carrier network signaling is called Signaling System 7.

18. "Cross Connect" refers to the equipment physical or logical "meet point" between network elements.

a. For example, within a wire center, it is a connection between line termination blocks on the two sides of a distribution frame or between individual line terminations on the same side of the frame. Cross connections are made to route traffic from one group of lines to another specific group of lines on the distribution frame, or to route traffic from one individual line to another specific line on the distribution frame.

b. A piece of manual, electromechanical or electronic apparatus designed to make and rearrange the cross connections among the lines that terminate on a distribution frame. Cross-connect devices are employed where rearrangement of transmission circuits occur infrequently.

19. "Customer Local Area Signalling Services" or "CLASS" means features available to end users based on availability of CCIS, including, without limitation, Automatic Callback, Call Trace, Caller ID and related blocking, Distinctive Ringing, Call Waiting, Selective Call Forward and Selective Call Rejection.

20. "DID" or "Direct Inward Dialing" is a feature which allows callers on the public switched network to directly dial a specific PBX or Centrex extension telephone.

EXHIBIT "C"

Page 66 of 121

21. "Directory Number Call Forwarding" or "DNCF" is one form of Interim Number Portability ("ISPNP") which is provided through call routing and call forwarding capabilities. DNCF will forward calls dialed to an original telephone number to a new telephone number on a multi-path basis. DNCF is not limited to listed directory numbers.

22. "Digital Loop Carrier" or "DLC" is as defined in BellCore TR-TSY-000008, "Digital Interface Between the SLC-96 Digital Loop Carrier System and Local Digital Switch" and TR-TSY-00303, "Integrated Digital Loop Carrier (IDLC) Requirements, Objectives and Interface."

23. "Digital Service - Level 0" or "DS-0" means a signal rate of 64 kilobits per second.

24. "Digital Service - Level 1" or "DS-1" is an industry standard telecommunications transport channel which can support a digital signaling rate of 1.544 Mbps (Mega Bits Per Second) at industry standard performance levels. Unless identified and priced as "fractional," this channel is assumed to be fully available.

25. "Digital Service - Level 3" or "DS-3" is an industry standard telecommunications transport channel which can support a digital signal rate of 44.736 Mbps (Mega Bits Per Second) at industry standard performance levels. Unless identified and priced as "fractional," this channel is assumed to be fully available.

26. "DSX" or "Digital and Access Cross-connect System ("DACS") is a cross-connection product (including a mounting bay/panel) used for termination of equipment and facilities operating at digital rates.

27. "Electronic Data Interchange," "Electronic File Transfer" or "EFT" is a process which utilizes an electronic format and protocol to send/receive digital data business documents between different companies' computers over phone lines. There are several generally accepted industry standards for EFT, pending acceptance of a single common standard.

28. "Exchange Access" means the offering of access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services.

29. "Exchange Message Record" or "EMR" is a term used to refer to the current standard used for exchange of telecommunications message information among Local Exchange Carriers for billable, non-billable, sample, settlement and study data. EMR format is currently contained in BR-010-200-010 CRIS Exchange Message Record, a Bellcore document which has traditionally defined Bell standards for exchange message records.

30. "Exchange Service" is a traditional marketing term used to refer to a service offered to end users which provides the end user with a telephonic connection to, and a unique local

EXHIBIT "C"

Page 67 of 121

telephone number address on, the public switched telecommunications network, and which enables such end user to generally place calls to, or receive calls from, other stations on the public switch telecommunications network. Exchange Services include, but are not limited to, basic residence and business line service, PBX trunk line service, pay telephone stations, pay phone line service, Centrex and Centrex-like line services, AIN, and ISDN line/trunk services. Exchange Service does not traditionally include Private Line, Toll, Switched and Special Access (digital channel) services, which have traditionally been separately billed and regulated, although today these services are frequently formed from and bundled within common transport and network elements.

31. "Feature Group A" or "FGA" means FGA interexchange access as defined in BellSouth's FCC Tariff No. 1.

32. "Feature Group B" or "FGB" means FGB interexchange access as defined in BellSouth's FCC Tariff No. 1.

33. "Feature Group D" or "FGD" means FGD interexchange access as defined in BellSouth's FCC Tariff No. 1.

34. "Interconnection" means the connection between network elements that enable the formation of network systems. The objective of interconnection is to provide transport and transparent interoperation among separate pieces of equipment, transmission facilities, *etc.*, within, between or among networks. The architecture of interconnection may include several industry standard, or regulatory structured methods including, but not limited to, collocation arrangements ("physical" and "virtual" collocation) arrangements via industry standard interface arrangements.

35. "Interconnection Point," "Point of Interconnection" or "POI" includes all points where SMNI is entitled to interconnect with BellSouth under the terms of this Agreement, including, without limitation, points on the line side and trunk side of each Network Element.

EXHIBIT "C"

Page 68 of 121

36. **"Interface"** refers to the physical and logical point or points on a given network element where transmission, operations, administration, maintenance, provisioning and management connections are made. Specifically, the Interface includes (1) a common boundary between two or more items of equipment, (2) a physical point of demarcation between two devices where all the signals which pass are defined; the definition includes the type, quality and function of the interconnection circuits, as well as the type and form of signals interchanges by those circuits, and (3) the procedure, codes and protocols enabling dissimilar devices to communicate. The original equipment manufacturer of the network element generally incorporates one or more standard (or in some cases, proprietary) interfaces to each network element that allows the element to "plug into" and become part of the overall integrated telecommunications system. The same interfaces are used by both the incumbent and the competitive LECs. The technical specifications of the element's interface(s) are specified by manufacturer prior to sale. Compliance to industry standards organizations interface specifications, and the modular ability to retrofit subsequent industry standard specifications is required by the buyer of any given network element.

37. **"Interexchange Carrier"** or **"IXC"** traditionally means a provider of stand-alone interexchange telecommunications services. Under the new Act, the term IXC may be interpreted to embrace any competitive intermediary telecommunications carrier providing switched (and/or private line) services between switching entities operated by local exchange service providers (BOC-LEC, Independent-LEC, Competitive-LEC, Wireless-LEC). IXC connectivity is typically an access services arrangement. The use of this term does not preclude the provider from also offering bundled telecommunications services.

38. **"Integrated Services Digital Network"** or **"ISDN"** refers to a switched network service that provides end-to-end digital connectivity for the simultaneous transmission of voice, data, video or multimedia services. Basic Rate Interface-ISDN (BRI-ISDN) provides for digital transmission of two 64 Kbps bearer channels and one 16 Kbps data channel (2B + D). Primary Rate Interface-ISDN (PRI-ISDN) provides for digital transmission of twenty-three (23) 64 Kbps bearer channels and one (1) 16 Kbps data channel (23B + D). Unless identified and priced as "fractional" both BRI and PRI ISDN circuits are assumed to be fully available.

39. **"Interim Number Portability"** or **"INP"** refers to the temporary means by which BellSouth allows customers to retain their existing telephone numbers when changing from one local exchange carrier to another. This service provides transparent delivery of Telephone Number Portability ("TNP") capabilities, from a customer standpoint in terms of call completion, and from a carrier standpoint in terms of compensation, through the use of call routing, forwarding, and addressing capabilities. The interim nature of these arrangements result from the fact that their performance and cost cannot meet or sustain end-user customer or co-carrier expectations. Standards for permanent number portability will be set by regulatory stricture, and both Parties agree to implementation of permanent number portability at the earliest possible point in time.